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1 BEFORE THE ARIZONA CORPORATION COMMISSION 57 2 7m7 JUL -2 P 12: 12 3 **COMMISSIONERS** MIKE GLEASON, CHAIRMAN 4 WILLIAM A. MUNDELL 5 JEFF HATCH-MILLER KRISTIN K. MAYES 6 **GARY PIERCE** 7 IN THE MATTER OF THE APPLICATION OF AJO Docket No. WS-01025A-03-0350 8 IMPROVEMENT COMPANY FOR RATE ADJUSTMENTS IN ITS WATER AND WASTEWATER RATES **NOTICE OF FILING** 10 11 Ajo Improvement Company hereby submits the following materials concerning its 12 notice to customers of the upcoming Phase 2 and Phase 3 rate increases for its wastewater 13 service: (i) a Notice that was mailed to customers on June 13, 2007 and (ii) an article that 14 appeared in the Ajo Copper News on June 13, 2007. 15 RESPECTFULLY SUBMITTED this 2^d day of July 2007. 16 17 AJO IMPROVEMENT COMPANY 18 19 By Arizona Corporation Commission Michael W. Patten DOCKETED 20 ROSHKA DEWULF & PATTEN, PLC One Arizona Center 21 JUL - 2 2007 400 East Van Buren Street, Suite 800 22 Phoenix, Arizona 85004 **DOCKETED BY** (602) 256-6100 MR 23 24 **ORIGINAL** + 13 COPIES of the foregoing 25 Filed this 2^M day of July 2007, with:

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Docket Control ARIZONA CORPORATION COMMISSION 1200 West Washington Phoenix, Arizona 85007

ROSHKA DEWULF & PATTEN, PLC

ONE ARIZONA CENTER 400 EAST VAN BUREN STREET - SUITE 800 PHOENIX, ARIZONA 85004 TELEPHONE NO 602-256-6100 FACSIMILE 602-256-6800

COPIES of the foregoing hand-delivered July 2, 2007, to:
Vick Wallace Utilities Division ARIZONA CORPORATION COMMISSION 1200 West Washington Phoenix, Arizona 85007
Brian Bozzo Compliance, Utilities Division ARIZONA CORPORATION COMMISSION 1200 West Washington Phoenix, Arizona 85007
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Important Notice - Please Read

Upcoming Changes to Ajo Improvement Company's SEWER Service Rates and Charges

On June 29, 2004, the Arizona Corporation Commission approved increases to Aio Improvement Company's rates and charges for sewer service.

In approving the rate increase to the monthly service charge, the Commission required Ajo Improvement Company to implement a phased-in approach to the increase in the monthly service charge in order to ease the impact of that increase. The method for phased-in rates provided for three equal increases of \$3.34 per month over different periods of time. The first phase of the increase occurred on July 1, 2004.

The SECOND phase of the sewer rate increase will take effect on <u>AUGUST 1, 2007</u> and the amount shown below will be reflected in the bill you receive in early September 2007.

The THIRD phase of the sewer rate increase will take effect on <u>FEBRUARY</u> 1, 2008 and the amount shown below will be reflected in the bill you receive in early March 2008.

The new Ajo Improvement Company sewer rates for the applicable services are set forth below. Other rates and charges will not change from those previously approved in 2004. The complete tariff is available at Ajo Improvement Company in Ajo. If you have any questions about the Phase 2 and Phase 3 rates and charges, please contact Ajo Improvement Company at 520-387-7451.

MONTHLY SERVICE CHARGES:

Residential Service - Per Month:

Phase I (effective July 1, 2004)	\$9.42
Phase II (effective August 1, 2007)	12.76
Phase III (effective February 1, 2008)	16.10

Customers Billed on Residential Equivalents ("REU"): Industrial, Commercial and Schools – Per REU:

Phase I (effective July 1, 2004)	\$9.42
Phase II (effective August 1, 2007)	12.76
Phase III (effective February 1, 2008)	16.10

Sewer service rates changing

The first sewer rate increase in three years in the Ajo Improvement Company service area will take place on August 1, according to AIC site manager Ray Romero. Rates will increase \$3.34 by per month; customer charges will rise from \$9.42 to \$12.76 a month with the September billing showing the increase.

The increase will be the second of three equal rate changes approved by The Arizona Corporation Commission in June 2004.

Questions about the new rates may be directed to AIC at 387-7151.